REMARKS

The present Amendment cancels claims 1-5 and 7-10 and adds new claims 12-16. Therefore, the present application has pending claims 12-16.

Claims 1-5 and 7-10 stand rejected under 35 USC §112, second paragraph as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regards as their invention. As indicated above, claims 1-5 and 7-10 were canceled. Therefore, this rejection is rendered moot. Accordingly, reconsideration and withdrawal of this rejection is respectfully requested.

Claims 1-5 and 7-10 stand rejected under 35 USC §101 as allegedly being directed to non-statutory subject matter. As indicated above, claims 1-5 and 7-10 were canceled. Therefore, this rejection is rendered moot. Accordingly, reconsideration and withdrawal of this rejection is respectfully requested.

Claims 1-5 and 7-10 stand rejected under 35 USC §102(e) as being anticipated by Cheng (U.S. Patent No. 6,138,103). As indicated above, claims 1-5 and 7-10 were canceled. Therefore, this rejection is rendered moot. Accordingly, reconsideration and withdrawal of this rejection is respectfully requested.

It should be noted that the cancellation of claims 1-5 and 7-10 was not intended nor should it be considered as an agreement on Applicants part that the features recited in claims 1-5 and 7-10 are either indefinite, directed to non-statutory subject matter or taught or suggested by Cheng or any of the other references of record whether taken individually or in combination with each other. The cancellation of claims 1-5 and 7-10 was simply intended to

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expedite prosecution of the present application. Applicants hereby reserve their right to pursue the invention as set forth in claims 1-5 and 7-10 in a continuing application.

The system of the present invention includes calculation process means that reads restriction conditional equations corresponding to management indices selected by the user from the memory means, builds an input target value of the selected management indices into the selected restriction conditional equation, multiplies each variable that stores a positive estrangement value or a negative estrangement value by the weighting coefficient and the flags, composes an objective function for minimizing the sum total of each estrangement value, and solves a linear programming problem that optimizes an objective function, and output means that displays each actual value of the selected management indices, which the calculation process means calculates from solutions of the linear programming problem, on a display of said terminal in a form of a table, a radar chart or a rod graph, wherein the input means receives input information from the user that are made of management indices to which the user desires change and/or adjusted target values of the management indices, wherein the calculation process means remakes restriction conditional equations and the objective function according to the input information, repeats solving a linear programming problem, and calculating actual values of all the management indices for which an evaluation of trade-offs is necessary, wherein the input means receives inputs from the user of a judgment that all the calculated actual values of the management indices can be allowed, wherein the calculation process means calculates at least one of a materials procurement

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plan, a production plan of the products and/or the semi-products, and a transportation plan according to the final optimal solutions of the linear programming problem, and wherein the output means outputs said calculated plans

The above described features of the present invention now more clearly recited in the claims are not taught or suggested by any of the references of record whether said references are taken individually or in combination with each other. Particularly, the above described features of the present invention as now more clearly recited in the claims are not taught or suggested by Cheng.

Cheng teaches the method to generate a production plan to handle an uncertain demand. Cheng prepares two or more demand patterns as scenarios, and under the ability and part restriction, calculates a production plan that the inventory cost and the cost of the loss of the chance are minimized in each scenario. Cheng displays earnings and profit according to each scenario, according to each production plan on the Web screen, and compares a plurality of production plan.

Cheng uses linear programming part restriction similar to the present invention. However, in Cheng, the production plan of each of the two or more demand patterns is calculated, and the production plan is evaluated by earnings and the profit. Disadvantageously in Cheng, it is not understood whether to obtain the production plan that targets values of earnings and profit as per a budget. Thus, in Cheng, it is necessary to prepare demand data for each scenario in advance. It is very difficult to prepare such demand data.

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Therefore, it is very difficult in Cheng to provide a plan which adjusts to various demands.

On the other hand, the present invention sets the target values of the management indices like earnings, profit, and the amount of money of the stock, etc., that general enterprises usually have as a budget, into a restriction condition, such that the production plan the sum total of each estrangement value from the each target value is minimized. According to the present invention, management indices are calculated from the production plan, and are displayed in the radar chart etc., so that the estrangement value from the target value of the management index and the trade-off relation between the management indices are clarified and can be easily scan by the user on the display. Thus, as per the present invention, if actual values do not reach to the target values, the target values of the management indices that exist in the trade-off relation are adjusted, and the adjustment step and the plan step are repeated until the production plan becomes to satisfy the target values.

Therefore, based on the above, it is quite clear that the features of the present invention as now more clearly recited in new claims 12-16 are not taught or suggested by any of the references of record, particularly Cheng whether said references are taken individually or in combination with each other. Accordingly, neither Cheng or any of the other references of record whether taken individually or in combination with each other anticipate nor render obvious the claimed invention.

The remaining references of record have been studied. Applicants submit that they do not supply any of the deficiencies noted above with respect to the references utilized in the rejection of claims 1-5 and 7-10.

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In view of the foregoing amendments and remarks, applicants submit that claims 12-16 are in condition for allowance. Accordingly, early allowance of claims 12-16 is respectfully requested.

To the extent necessary, the applicants petition for an extension of time under 37 CFR 1.136. Please charge any shortage In fees due in connection with the filing of this paper, including extension of time fees, or credit any overpayment of fees, to the deposit account of MATTINGLY, STANGER, MALUR & BRUNDIDGE, P.C., Deposit Account No. 50-1417 (520.39403X00).

Respectfully submitted,

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